

FISCAL NOTE

Bill #: HB0010

Title: CERCLA bonds for Libby reclamation state matching funds

Primary Sponsor: Maedje, R

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

FY 2004

FY 2005

Difference

Difference

Revenue:

State Special Revenue

CERCLA Match

Reclamation and Development Grants

Orphan Share Account

\$430,630

(\$215,315)

(\$215,315)

\$430,630

(\$215,315)

(\$215,315)

Net Impact on General Fund Balance:

\$0

\$0

-
- | | |
|--|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |
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Fiscal Analysis

ASSUMPTIONS:

1. Total financial need to match federal Superfund is estimated by EPA to fall between \$7-10 million. However, current estimates indicate that in order to provide the 10 percent matching share the Department of Environmental Quality (DEQ) will need to issue \$5 million general obligation bonds in the spring of fiscal 2004 at a rate of 5.85 percent.
2. DEQ anticipates the annual debt service payments of \$430,630.
3. Beginning July 1, 2003, this bill would change the allocation of resource indemnity and groundwater assessment tax. The amount necessary to cover CERCLA bond payments would be deposited in the CERCLA match debt service fund. This will be \$430,630 in both fiscal 2004 and fiscal 2005. Remaining collections would be allocated as under current law: \$366,000 to the groundwater assessment account, half of the remainder to the reclamation and development grants accounts, up to \$150,000 to the natural resource workers' tuition scholarship account, and the remainder to the orphan share account. The table on the following page shows the allocation under current law, under this bill, and the differences.
4. This bill would not have significant administrative impacts on the Department Revenue.

Fiscal Note Request HB0010, As Introduced
(continued)

Resource Indemnity and Groundwater Assessment Tax Allocation OBPP Revenue Projection						
	Current Law		HB 10		Difference	
	FY2004	FY 2005	FY2004	FY 2005	FY2004	FY 2005
Revenue	\$ 1,142,000	\$ 1,159,000	\$ 1,142,000	\$ 1,159,000	\$ -	\$ -
CERCLA Match	\$ -	\$ -	\$ 430,630	\$ 430,630	\$ 430,630	\$ 430,630
Groundwater Assessment	\$ 366,000	\$ 366,000	\$ 366,000	\$ 366,000	\$ -	\$ -
Reclamation & Development Grants	\$ 388,000	\$ 396,500	\$ 172,685	\$ 181,185	\$ (215,315)	\$ (215,315)
Resource Workers' Scholarships	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	\$ -
Orphan Share	\$ 238,000	\$ 246,500	\$ 22,685	\$ 31,185	\$ (215,315)	\$ (215,315)

FISCAL IMPACT:

	FY 2004 <u>Difference</u>	FY 2005 <u>Difference</u>
<u>Revenues:</u>		
State Special Revenue (02)		
CERCLA Match	\$430,630	\$430,630
Reclamation and Development Grants	(\$215,315)	(\$215,315)
Orphan Share Account	(\$215,315)	(\$215,315)

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

State Special Revenue (02)		
CERCLA Match	\$430,630	\$430,630
Reclamation and Development Grants	(\$215,315)	(\$215,315)
Orphan Share Account	(\$215,315)	(\$215,315)